



Legal Department

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IDT Corporation

T.R.A. DOCKET ROOM  
620 Broad Street  
Newark, NJ 07102 USA

P 973 438/3342

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www.idt.net

November 20, 2003

**VIA OVERNIGHT MAIL**

K. David Waddell  
Executive Secretary  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 32743

**Re: In the Matter of the Application of IDT America, Corp.  
For A Certificate to Provide Competitive Local  
Telecommunication Services  
Docket No. 03-00529**

Dear Executive Secretary Waddell:

I have enclosed an original and thirteen (13) copies of IDT America, Corp.'s Tennessee Telecommunications Service Provider's Surety Bond in the above-docketed matter. Please date stamp the additional copy of this cover letter and return it in the enclosed self-addressed, stamped envelope.

If you have any questions about this Application, please contact me at [Carl.Billek@corp.idt.net](mailto:Carl.Billek@corp.idt.net) or (973) 438-4854.

Sincerely,

Carl Wolf Billek  
IDT America, Corp.

Enclosure

# TENNESSEE REGULATORY AUTHORITY

## TENNESSEE TELECOMMUNICATIONS SERVICE PROVIDER'S SURETY BOND

Bond #: 6176944

**WHEREAS,** IDT AMERICA CORP (the "Principal"), has applied to the Tennessee Regulatory Authority for authority to provide telecommunications services in the State of Tennessee; and

**WHEREAS,** under the provisions of Title 65, Chapter 4, Section 125(j) of the Tennessee Code Annotated, as amended, the Principal is required to file this bond in order to obtain such authority and to secure the payment of any monetary sanction imposed in any enforcement proceeding brought under Title 65 of the Tennessee Code Annotated or the Consumer Telemarketing Act of 1990 by or on behalf of the Tennessee Regulatory Authority (the "TRA"); and

**WHEREAS,** SAFECO INSURANCE COMPANY OF AMERICA (the "Surety"), a corporation licensed to do business in the State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, has agreed to issue this bond in order to permit the Principal to comply with the provisions of Title 65, Chapter 4, Section 125(j) of the Tennessee Code Annotated;

**NOW THEREFORE, BE IT KNOWN,** that we the Principal and the Surety are held and firmly bound to the STATE OF TENNESSEE, in accordance with the provisions of Tennessee Code Annotated, Title 65, Chapter 4, Section 125(j), in the full amount of twenty thousand dollars (\$20,000.00) lawful money of the United States of America to be used for the full and prompt payment of any monetary sanction imposed against the Principal, its representatives, successors or assigns, in any enforcement proceeding brought under Title 65 of Tennessee Code Annotated or the Consumer Telemarketing Act of 1990, by or on behalf of the TRA, for which obligation we bind ourselves, our representatives, successors and assigns, each jointly and severally, firmly and unequivocally by these presents.

This bond shall become effective on the 20th day of AUGUST, 2003 and shall be continuous; provided, however, that each annual renewal period or portion thereof shall constitute a new bond term. Regardless of the number of years this bond may remain in force, the liability of the Surety shall not be cumulative, and the aggregate liability of the Surety for any and all claims, suits or actions under this bond shall not exceed Twenty Thousand Dollars (\$20,000.00). The Surety may cancel this bond by giving thirty (30) days written notice of such cancellation to the TRA and Principal by certified mail, it being understood that the Surety shall not be relieved of liability that may have accrued under this bond prior to the date of cancellation.

### PRINCIPAL

IDT America, Corp.

Name of Company authorized by the TRA

122030

Company ID # as assigned by TRA

### SURETY

SAFECO INSURANCE COMPANY OF AMERICA

Name of Surety

1200 MACARTHUR BLVD., 3RD FLOOR, MAHWAH, NJ 07430

Address of Surety

SIGNATURE OF PRINCIPAL

Name: James Courter  
Title: President

SIGNATURE OF SURETY AGENT

Name: Milena Langert  
Title: ATTORNEY-IN-FACT

Address of Surety Agent:

377 OAK STREET  
GARDEN CITY, NEW YORK 11530

THIS BOND IS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 125, CHAPTER 4, TITLE 65 OF THE TENNESSEE CODE ANNOTATED AS AMENDED BY CHAPTER NO. 586, 2000 PUBLIC ACTS. SHOULD THERE BE ANY CONFLICT WITH THE TERMS HEREOF AND THE STATUTE OR REGULATIONS PROMULGATED THEREUNDER, THE STATUTE OR REGULATIONS SHALL PREVAIL. (POWER OF ATTORNEY FROM AN APPROVED INSURANCE COMPANY MUST BE ATTACHED.)

ACKNOWLEDGMENT OF PRINCIPAL

STATE OF New Jersey  
COUNTY OF Essex

Before me, a Notary Public of the State and County aforesaid, personally appeared James Courter  
with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the foregoing  
bond on behalf of IDT America, Corp., and he acknowledged to me that he executed the same.

WITNESS my hand and seal this 20<sup>th</sup> day of November, 20 03

My Commission Expires: WENDY MOREANO

A Notary Public of New Jersey, 20 03

My Commission Expires 9/21/08

Wendy Moreano  
Notary Public



ACKNOWLEDGMENT OF SURETY

STATE OF New York  
COUNTY OF Nassau

Before me, a Notary Public of the State and County aforesaid, personally appeared Milena Langert  
with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the  
foregoing bond on behalf of SAFECO Insurance Company of America, the within named Surety, a corporation licensed to do business in the  
State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state  
pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, and that he as such an individual being authorized to do so,  
executed the foregoing bond, by signing the name of the corporation by himself and as such individual.

WITNESS my hand and seal this 20th day of October, 20 03.

My Commission Expires:

October 29, 2005

**SHARON SCHISSEL**  
NOTARY PUBLIC, State of New York  
No. 01SC6065816  
Qualified in Queens County  
Commission Expires October 29, 20 05

Sharon Schissel  
Notary Public

APPROVAL AND INDORSEMENT

This is to certify that I have examined the foregoing bond and found the same to be sufficient and in conformity to law, that the  
sureties on the same are good and worth the penalty thereof, and that the same has been filed with the Tennessee Regulatory  
Authority, State of Tennessee, this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Name:  
Title:



POWER  
OF ATTORNEY

SAFECO INSURANCE COMPANY OF AMERICA  
GENERAL INSURANCE COMPANY OF AMERICA  
HOME OFFICE SAFECO PLAZA  
SEATTLE, WASHINGTON 98185

No 9423

**KNOW ALL BY THESE PRESENTS:**

That **SAFECO INSURANCE COMPANY OF AMERICA** and **GENERAL INSURANCE COMPANY OF AMERICA**, each a Washington corporation, does each hereby appoint

\*\*\*\*\*CRAIG H TREIBER, JOHN H TREIBER, RICHARD GUARINI, GARY MORRISSEY, MILENA LANGERT, JEAN C. SPEIRS, ROBERT G. TYNAN, Garden City, New York\*\*\*\*\*

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby

**IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA** and **GENERAL INSURANCE COMPANY OF AMERICA** have each executed and attested these presents

this 29 day of September, 1998

*R A Pierson*

R.A. PIERSON, SECRETARY

*W. Randall Stoddard*

W. RANDALL STODDARD, PRESIDENT

**CERTIFICATE**

Extract from the By-Laws of **SAFECO INSURANCE COMPANY OF AMERICA**  
and of **GENERAL INSURANCE COMPANY OF AMERICA**:

"Article V, Section 13 - FIDELITY AND SURETY BONDS the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business. On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced, provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of **SAFECO INSURANCE COMPANY OF AMERICA**  
and of **GENERAL INSURANCE COMPANY OF AMERICA** adopted July 28, 1970

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
- (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
- (iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, R.A. Pierson, Secretary of **SAFECO INSURANCE COMPANY OF AMERICA** and of **GENERAL INSURANCE COMPANY OF AMERICA**, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 20th day of October, 2003



*R A Pierson*

R.A. PIERSON, SECRETARY



## SAFECO INSURANCE COMPANY OF AMERICA

## FINANCIAL STATEMENT — DECEMBER 31, 2002

Assets		Liabilities	
Cash and Bank Deposits.....	\$ 179,469,961	Unearned Premiums.....	\$ 595,543,757
*Bonds — U.S Government.....	268,315,526	Reserve for Claims and Claims Expense .....	1,496,818,407
*Other Bonds.....	1,951,399,639	Funds Held Under Reinsurance Treaties..	440,473
*Stocks .....	389,420,765	Reserve for Dividends to Policyholders .....	2,564,831
Real Estate.....	13,429,179	Additional Statutory Reserve .....	—
Agents' Balances or Uncollected Premiums.....	296,414,018	Reserve for Commissions, Taxes and	
Accrued Interest and Rents.....	34,269,055	Other Liabilities .....	463,560,925
Other Admitted Assets.....	252,280,905	<b>Total .....</b>	<b>\$2,558,928,393</b>
<b>Total Admitted Assets .....</b>	<b><u>\$3,384,999,048</u></b>	Capital Stock.....	\$ 5,000,000
		Paid in Surplus.....	227,306,484
		Unassigned Surplus.....	593,764,171
		<b>Surplus to Policyholders .....</b>	<b><u>826,070,655</u></b>
		<b>Total Liabilities and Surplus.....</b>	<b><u>\$3,384,999,048</u></b>



\* Bonds are stated at amortized or investment value; Stocks at Association Market Values.  
Securities carried at \$113,865,629 are deposited as required by law.

I, MICHAEL C. PETERS, president of SAFECO National Insurance Company, do hereby certify that the foregoing is a true, and correct statement of the Assets and Liabilities of said Corporation, as of December 31, 2002, to the best of my knowledge and belief.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation at Seattle, Washington, this 1st day of March, 2003.

President

